

**Summary of Observations
Good Movement Action Plan
Infrastructure Work Group Meeting
November 2, 2005**

Three Overarching Observations

1. Retailer/Shipper participation is essential
2. Goods movement must be viewed a system
3. There will be a doubling or perhaps even tripling of cargo by 2025

Initial Principles and Factors

1. Infrastructure projects recommended for funding should fit into the system and that have demonstrated political support
2. The initial \$14.4 billion project list had general support, but we agreed there was nothing magic about this level of funding. It is likely that additional projects will be put on and some taken off the list
3. Mitigation for each of the new projects should be accomplished at the same time the projects are implemented
4. There is a recognized need to achieve project and environmental balance with respect to funding associated with project approvals
5. All stakeholders must be encouraged to have a broad vision of all the components (bricks & mortar, community impacts, mitigation, etc.), not just their own sphere of interest
6. The federal role can not be underestimated-- getting a fair share of federal dollars and achieving bi-partisan political support in the Congressional delegation are key outcomes
7. Need sufficient funding and probably need innovative approaches for the funding, such as the Maritime Goods Movement Project or other options
8. Operational improvements have an important role. For example: better utilization of smaller ports for appropriate cargoes and “bridging” rail projects between the ports and inland locations to take trucks off the road

9. There are some impediments that must be overcome, such as how new projects are programmed under SB 45. This most likely will require new legislative or executive branch actions
10. All of the issues must be approached on a systems basis. For instance: projects need to end bottlenecks, not just move them from one place to another and the needs of the petroleum processing industry need to be considered on any port expansion or re-configuration proposals
11. There have been (and will be) unintended consequences of new approaches. For example: when the Pier Pass fee was imposed on Payless Shoes, 25% of the cargo they were shipped through Los Angeles was moved to another port. Without reaching a conclusion if this was good or bad outcome, it is essential to try to understand such potential consequences in advance of imposing new fees or costs

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